

December 17, 2018

Via E-mail/Federal Express Delivery

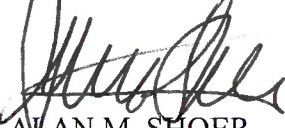
Ms. Luly Massaro, Commission Clerk  
Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, Rhode Island 02888

***In re: Woonsocket Water Division – Docket No. 4879 – Rate Filing***

Dear Luly:

On behalf of the Woonsocket Water Division (“WWD”), enclosed please find an original and nine (9) copies of WWD’s Response to the Division of Public Utilities and Carriers’ Fourth Set of Data Requests.

Very truly yours,



ALAN M. SHOER  
[ashoer@apslaw.com](mailto:ashoer@apslaw.com)

Enclosure

cc: Service List

**Woonsocket Water Division - Docket No. 4879 – Rate Filing  
Service List 10/3/18**

<b>Name/Address</b>	<b>E-mail</b>	<b>Phone</b>
<b>Woonsocket Water Division:</b> Alan Shoer, Esq. Nicole Verdi, Esq. Adler Pollock & Sheehan One Citizens Plaza, 8 <sup>th</sup> Floor Providence, RI 02903-1345	<a href="mailto:Ashoer@apslaw.com">Ashoer@apslaw.com</a> ;	401-274-7200
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**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION**

**In re: City of Woonsocket Water Division  
- Application to Implement Multi-  
Year Rate Plan**

**Docket No. 4879**

**CITY OF WOONSOCKET WATER DIVISION'S  
("WWD") RESPONSE TO THE DIVISION OF PUBLIC  
UTILITIES AND CARRIERS' 4<sup>th</sup> SET OF DATA REQUESTS**

(Issued November 26, 2018)

4-1:	4-1. Reference the response to Division Data Request 3-2: a. Please explain whether service lines separate from the service line for general retail water service are installed for private fire protection service; and b. Please indicate where Schedule DGB-COS-1C allocates 25 percent of maintenance costs to services and 25 percent to fire.
WWD Response 4-1:	
a.	The service line separates before the meter to feed the general water line and fire protection line for a given customer.
b.	The line items, particularly transmission and distribution ("T&D") labor, allocated by allocator K are allocated twenty-five percent (25%) to meters for the maintenance costs to services and twenty-five percent (25%) to direct fire.
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

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(Issued November 26, 2018)

4-2:	Reference the response to Division Data Request 3-3: What percentage of 12-inch mains would WWD be receptive to including in the distribution calculation?
WWD Response 4-2:	Given that the length of the 12-inch mains would total about 10,000 feet and the total length of the 12-inch mains in the system was reported at 119,541 per Schedule DGB-COS-2B, WWD be receptive to including in the distribution calculation approximate 8.5% of the 12-inch mains.
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

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(Issued November 26, 2018)

4-3:	The response to DIV 2-3(b), states that \$2,000,000 needs to be budgeted for demolishing the existing WTP facility in its entirety, except for administration and maintenance facilities, which will be refurbished and re-used.
a.	Does the \$2,000,000 include the cost of both the demolition and the refurbishing work? If so, please provide a breakdown of the total cost showing the demolition and refurbishment costs separately.
b.	If the \$2,000,000 does not include the refurbishment work for the administrative and maintenance facilities, please identify the cost of doing the refurbishment work and identify where in the cost of service those costs are included.
c.	If not previously provided, please show how the \$2,000,000 is reflected in the IFR fund.
WWD Response 4-3:	
a.	The \$2,000,000 estimated cost which includes the cost of both the demolition and the refurbishing work is a preliminary estimate at this time. WWD will be seeking bids to perform this work closer to when the new facility becomes operational in calendar year 2021.
b.	Please see response above.
c.	The \$2,000,000 estimated cost will have to come from the ending cash balance of the IFR fund as presented on Schedule DGB-RY-11. There is sufficient balance to cover these costs in the short-term but will ultimately have to come from additional funding in the future for the fund to be in sync with the twenty (20) year IFR plan as presented on that Schedule.
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

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(Issued November 26, 2018)

4-4:	Please provide a copy of the supporting documentation for the IFR Purchases Capitalized, \$751,788, referenced in Schedule DGB-TY-1(d).
WWD Response 4-4:	The capitalization of IFR expenditures is only posted once a year as part of the year-end audit. The purchases capitalized in Schedule DGB-TY-1(d) are related to the Mount Saint Charles T&D project.
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

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(Issued November 26, 2018)

4-5:	According to the response to DIV 2-3(c), the current WTP plant employees were provided an opportunity for employment with the new DBO contract operator. Please provide the number of employees that will not be hired by the DBO operator or get transferred to other positions in the water department and explain how those positions have been reflected in the cost of service.
WWD Response 4-5:	The exact number is not known at this time. Negotiations are underway. As soon as negotiations have ended, WWD will supplement its response to this data request.
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

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(Issued November 26, 2018)

4-6:	For each of the six restricted accounts shown on Schedule DGB-TY-1, page 3, please provide: a) the beginning balance as of the last base rate case; b) the additions to the reserve, by year; c) expenditures from the reserve, by year; and d) the ending balance for each year. Your response should also break down the expenditures by the expensed and capitalized components.
WWD Response 4-6:	See attached <b>Exhibit 4-6</b> .
Respondent:	David Bebyn, CPA
Date:	December 17, 2018



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(Issued November 26, 2018)

4-7:	Please provide a listing by year of all IFR projects that were undertaken since the last rate case. Include in your response a description and the expenditure amounts for each project.
WWD Response 4-7:	See attached <b>Exhibit 4-7</b> .
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

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(Issued November 26, 2018)

4-8:	Please provide a listing by year of all renewal and replacement projects that were undertaken since the last rate case. Include in your response a description and the expenditure amounts for each project.
WWD Response 4-8:	See attached <b>Exhibit 4-8</b> .
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

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(Issued November 26, 2018)

4-9:	With reference to the attachment to DIV 2-4, please explain why there is no current funding amount for FY 2015.
WWD Response 4-9:	Prior to FY 2016, WWD had been funding the restricted account only when funds were needed for expenditures. On that same Schedule, the IFR account had a very large funding for FY 2016. The funding for FY 2016 included not only the current year funding (FY 2016) but also funding to cover the lack of funding for FY 2015 and other prior years.
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

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(Issued November 26, 2018)

4-10:	According to the response to DIV 2-11, the DBO contract includes an average annual renewal and replacement of \$150,000. Please provide the annual renewal and replacement amount for the rate year and each year of the rate adjustment period.
WWD Response 4-10:	The annual renewal and replacement amount for the rate year and each year of the rate adjustment period is attached as <b>Exhibit 4-10</b> . Please note that the averages have been incorporated into the operating contract service fee. See <b>Exhibit 4-10</b> for the amount per year.
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

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(Issued November 26, 2018)

4-11:	According to Schedule DGB-TY-1, WWD's Annual Renewal and Replacement Fund claim was adjusted to an amount consistent with the prior rate case. Please explain why the Renewal and Replacement Fund claim was not reduced to reflect the average of \$150,000 included in the DBO contract for renewal and replacement.
WWD Response 4-11:	The renewal and replacement fund presented on Schedule DGB-TY-1 includes all renewal and replacement for plant, meters, vehicles and minor T&D. The renewal and replacement average presented in the DBO contract only includes renewal and replacement costs for the plant. Please note that renewal and replacement average presented in the DBO contract is funded by the operating contract service fee. Also, Schedule DGB-RY-14 removes any renewal and replacement costs for the plant in the rate year funding.
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

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(Issued November 26, 2018)

4-12:	With reference to the response to DIV 2-19 (a), please provide the basis of the 60/40 split between the CPI and ECI in the calculation of inflation.
WWD Response 4-12:	This ration is part of the DBO contract which was attached to the WWD's Response to the Division's Data Request, No. 1-2. Please refer to Article II, Section 2.1, entitled "Definitions" which states that "Inflation Index" means the annual change in the blended index comprised of sixty percent (60%) of the U.S. Department of Labor, Consumer Price Index (CPI) for all urban consumers in the Northeast Area, ID CUUR0100SA0 (or its successor index) and forty percent (40%) of the U.S. Department of Labor, Bureau of Labor Statistics, Employment Cost Index (ECI), ID CIU2010000000210A, Compensation: Total Compensation, Industry/Occupation: Northeast, Sector: Private Industry (or its successor index).
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
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(Issued November 26, 2018)

4-13:	With reference to the response to DIV 2-21,
a.	Please explain the decrease in Service and Extension revenue between FY 2017 and 2018.
b.	Please explain the decrease in Permanent Service, Temporary Labor, and Overtime Pay between FY 2017 and 2018.
c.	Please explain the increase in Sewer Assessment between FY 2017 and 2018.
d.	Please explain the decrease in City Service Charges between FY 2017 and 2018.
WWD Response 4-13:	
a.	The FY 2017 Service and Extension revenue was an abnormally high year since the prior year is closer to the FY 2018 revenue. Much of the additional work was due to the expansion of the Dowling Village shopping area in North Smithfield which is part of WWD's retail service area.
b.	The attachment to WWD's Response to the Division's Data Request, No. 2-21 was prepared with unaudited numbers. As presented on the Rate Year Schedule WEE-4, the FY 2017 number includes other City service position costs. These costs are allocated during the audit. Please note however that the Rate Year does not include this cost as it is included in the City services line item.
c.	The quarterly rate increased from FY 2017 to 2018 as part of a sewer fund rate increase. Please note however that this rate increase will not impact the Rate Year as this line item expenditure is now covered as part of the DBO service fee.
d.	The actual FY 2017 City Service Charges as reported on Schedule DGB-TY-2 was 308,893 while the WWD Response to the Division's Data Request, No. 2-21 reported that the unaudited FY 2018 balance was 309,735 which was a slight increase. I believe the question might be referring to the decrease from the Test Year balance of 372,060 to the WWD Response to the Division's Data

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	Request, No. 2-21. If that is the case, then the reduction related to the overstatement of the test year is addressed in WWD's Response to the Division's Data Request, No. 4-14 (below).
Respondent:	David Bebyn, CPA
Date:	December 17, 2018



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(Issued November 26, 2018)

4-14:	With reference to the response to DIV 2-28(h), the response states "it appears the July thru December 2017 balance on Schedule DGB-TY-3 had more than six months of activity that should have been adjusted on Schedule DGB-TY-1
a.	Does this not mean that the Test Year Expense is overstated? If no, please explain your response.
b.	Please provide the amount by which the July to December 2017 exceeds six months of activity.
WWD Response 4-14:	
a.	Yes.
b.	The July to December 2017 exceeded the six (6) months of activity by \$63,167.
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

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(Issued November 26, 2018)

4-15:	With reference to the response to DIV 2-28(d),
a.	Please explain "CIO services" and/or the nature of the services received from APEX Technology. Include in your response a copy of the contract with APEX Technology.
b.	Please separately provide the annual amount for (i) technology and consulting services; (ii) outside lab testing; (iii) Rhode Island Department of Health mandated testing and monitoring; and (iv) security services for FY 2018, 2017 and 2016.
WWD Response 4-15:	
a.	The City of Woonsocket does not have an internal information technology department. The City has outsourced this service to Apex Technology. Apex provides the maintenance of the City's network and services. Apex also maintains the WWD's computers and access to the City's servers which hosts the accounting program the WWD uses. See attached <b>Exhibit 4-15(A)</b> for a copy of the contract.
b.	See attached <b>Exhibit 4-15(B)</b> .
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

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(Issued November 26, 2018)

4-16:	Please provide all monthly National Grid electric bills for each WWD account from January 1, 2017 through the present.
WWD Response 4-16:	See attached <b>Exhibit 4-16</b> . (Due to size, <b>Exhibit 4-16</b> is being filed via CD-ROM.)
Respondent:	David Bebyn, CPA
Date:	December 17, 2018

CITY OF WOONSOCKET, WATER  
DIVISION  
By its Attorneys,

/s/ Alan M. Shoer  
Alan M. Shoer, Esq. (#3248)  
Nicole M. Verdi, Esq. (#9370)  
Adler Pollock & Sheehan, P.C.  
One Citizens Plaza, 8th Floor  
Providence, RI 02904-1345  
Tel: 401-274-7200  
Fax: 401-751-0604  
Dated: December 17, 2018

CERTIFICATE OF SERVICE

I hereby certify that on December 17, 2018, I delivered a true copy of the foregoing response to the **Division of Public Utilities and Carriers' FOURTH Set of Data Requests** via electronic mail to the parties on the attached service list.

/s/ Alan M. Shoer

## **EXHIBIT 4-6**

ACCT. #	IFR (Fund 14)	R&R (Fund 16)	Debt (Fund 17)	Chemical (Fund 18)	Rate Case (Fund 19)
a) Beginning Balances	\$ 1,424,748.00	\$ 104,256.97	\$ 151,345.05	\$ 20,466.00	\$ 3,702.05
b) Additions to reserve					
FY 2012 Funding Transferred	1,255,657.51	142,000.00	1,580,433.07	200,000.00	129,864.00
FY 2013 Funding Transferred	0.00	85,000.00	1,400,000.00	489,600.00	0.00
FY 2014 Funding Transferred	4,014,506.00	120,528.00	1,542,743.18	465,515.18	0.00
FY 2015 Funding Transferred	0.00	200,000.00	1,340,528.00	360,000.00	0.00
FY 2016 Funding Transferred	4,352,130.22	374,456.90	1,308,391.00	432,000.00	0.00
FY 2017 Funding Transferred	859,630.00	215,000.00	1,317,116.00	396,000.00	0.00
FY 2018 Funding Transferred	1,733,553.98	116,000.00	1,145,445.32	180,000.00	0.00
b) Expenditures paid from reserve					
FY 2012 Expenditures paid	972,257.96	138,112.37	1,543,180.78	208,733.72	128,478.41 closed out to general fund
FY 2013 Expenditures paid	327,020.42	103,306.39	1,568,112.00	480,937.90	
FY 2014 Expenditures paid	261,791.76	100,947.97	1,543,723.87	146,759.88	
FY 2015 Expenditures paid	494,824.83	212,781.25	1,341,903.00	691,039.32	
FY 2016 Expenditures paid	1,396,202.46	386,778.52	1,311,391.00	147,594.23	
FY 2017 Expenditures paid	1,552,687.10	219,916.58	1,317,116.04	662,355.94	
FY 2018 Expenditures paid	1,673,856.54	127,700.43	1,319,089.32	366,560.85	
a) Ending Balances at 6/30/18	\$ 2,769,433.22	\$ 146,911.39	\$ 15,438.36	\$ 55,299.34	\$ -

Please note that Funding transfers listed above report the actual cash transfers and not the required transfers for the year.

Breakout for items capitalized is reported on the attachment for DIV 4-7 & DIV 4-8

## **EXHIBIT 4-7**

IFR	Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Source of Supply								
	Water Supply Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Emergency Action Plan	0		540	29,903		0	0
	wssp 5 year update	0		4,608	7,986	0	0	
	Vulnerability study	0				41,120	0	0
	Reservoir	0	9,622			519,215		15,645
Treatment								
	Avenue A Site	0	11,278	0	0	0	0	0
	CIP Evaluation	0	10,797	0	0	0	0	21,070
	New WTP	614,963	81,453	156,816	258,807	653,338	16,399	5,092,111
Transmission & Distribution								
	Studies - Flushing	0	11,882	0	0	0	0	0
	T&D Improvements	16,169	1,943	0	7,430	12,000	60,221	67,444
	PPL Highland Tank	0	156,180	0	0	6,430		
	Mt St Charles Tank Highland Tank	0					688,648	150,315
	Mains - Cumb/Woon Interconnect	42,426	30,909	88,888	12,527	7,100	630,624	66,627
	Mt St Charles MAIN	0						778,067
	Miller lane	0	8,095					
	misc	19,422	4,861					
	Park East Drive/Elder Ballo	0		1,128	78,862	157,000	33,816	59,163
	Circle Drive	0			94,685	0	120,009	
	Conservation Easement	0		9,813	4,625			
	2007 \$2.1M WTP TransMain-Manville l	279,279	0	0	0	0	0	0
	IFR REPORT UPDATE	0						43,681
	Meters	0					1,665	24,104
	Hydrants	0					1,306	
		<u>\$ 972,258</u>	<u>\$ 327,020</u>	<u>\$ 261,792</u>	<u>\$ 494,825</u>	<u>\$ 1,396,202</u>	<u>\$ 1,552,687</u>	\$ 6,318,227
Amounts Capitalized								
		\$ 602,465	\$ 142,421	\$ 261,792	\$ 424,155	\$ 1,334,583	\$ 1,454,475	Adjustment not posted yet



## **EXHIBIT 4-8**

R&R	Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
	Equipment	\$ 17,914	\$ 1,474	\$ 7,753	\$ 18,221	\$ 80,388	\$ 32,760	\$ 33,305
	Furniture	-	-	1,148	-	210	78	21,380
	Building Improvement	9,523	-	1,400	1,930	606	-	
	Plant Improvements	20,532	10,279	8,397	70,359	29,330	57,246	17,448
	T&D Improvements	41,434	53,069	34,958	90,078	77,866	31,140	9,153
	Meters	37,101	32,441	43,114	32,193	52,183	87,906	46,414
	Pump Station	2,783	2,974	4,178	-			
	misc.	8,825	3,069	-	-			
	Vehicles					105,557	10,787	
	Hydrant & Tank Project					40,639	-	
		<u>\$ 138,112</u>	<u>\$ 103,306</u>	<u>\$ 100,948</u>	<u>\$ 212,781</u>	<u>\$ 386,779</u>	<u>\$ 219,917</u>	<u>\$ 127,700</u>
	Amounts Capitalized	\$ 103,369	\$ 69,926	\$ 50,915	\$ 63,521	\$ 235,606	\$ 120,073	Adjustment not posted yet

## **EXHIBIT 4-10**

**R&R**

Suez/Aecom

Year

1	\$ -
2	\$ 3,500
3	\$ 13,000
4	\$ 27,000
5	\$ 27,000
6	\$ 424,000
7	\$ 118,500
8	\$ 68,500
9	\$ 59,500
10	\$ 45,000
11	\$ 337,500
12	\$ 343,500
13	\$ 332,500
14	\$ 262,000
15	\$ 90,000
16	\$ 187,500
17	\$ 35,000
18	\$ 381,000
19	\$ 83,000
20	\$ 75,000
	<hr/>
	\$ 2,913,000
	<hr/>
	/ 20
	<hr/>
	\$ 145,650

# **EXHIBIT 4-15(A)**



## **Proposal for the City of Woonsocket**

**RFP #5738**

**Mark Centracchio**  
Sales Director  
The Apex Technology Group  
2158 Plainfield Pike, Suite 1  
Cranston, RI 02921  
401-680-4612

**September 6, 2016**



## **THE APEX TECHNOLOGY GROUP - OVERVIEW**

The Apex Technology Group provides IT support to a range of clients throughout the country. Apex services include strategy, network design, procurement, project management, installation and ongoing support. Apex's approach is customer-centric, enhanced by best of breed technology partners like Aruba Wireless Networks, Cisco Systems and Microsoft. At Apex, we optimize complex IT environments for clients; we have a proven track record of providing higher IT service levels at a reduced operating cost.

Formed in 1998, Apex is headquartered in Cranston, Rhode Island with regional offices in Massachusetts, Connecticut and Washington DC.

## **COMPANY PROFILE**

Length of time in business:	18 years
Length of time providing proposed services:	18 years
Number of clients:	94
Number of clients in the public sector:	37
Number of full time employees and areas of involvement:	

Technical Support, Network and Server Engineers	17
Sales	2
Administrative Support	5
Full time employees:	24

Contact person and office to service this account: Mark Centracchio  
Sales Director  
2158 Plainfield Pike Suite 1  
Cranston, RI 02921  
401-680-4612  
mcentracchio@apextechgroup.com

Apex Technology Group specializes in providing IT support to municipalities, schools and enterprise clients. We are certified and have partnerships with the following companies/manufacturers:

- Tritech IMC
- Cisco
- Microsoft
- Aruba Networks/HPE
- Barracuda
- Webroot (Anti-virus protection)
- VaultLogix
- Opal Data Systems



## THE APEX APPROACH

Apex will dedicate an executive-level resource to the City. This individual will be responsible for supervising the on-site and remote IT personnel. He will also function as the project manager and day-to-day contact for the City.

Also included in our proposal is unlimited remote help desk services. The use of remote support and the integration of Woonsocket's IT staff for resolving issues and answering questions will improve the response time to such requests. It will also help provide timely and accurate reports that will be used to make informed decisions and track progress. Service requests that cannot be resolved remotely will be assigned to on-site IT resource.

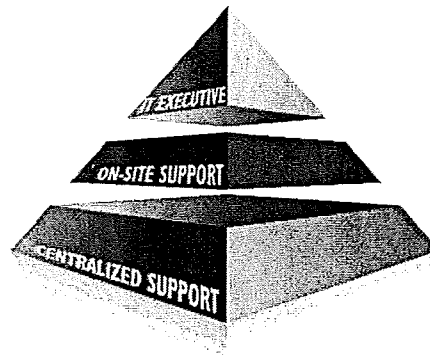
This approach in conjunction with the Apex Case Team will provide the City with the IT guidance and direction it requires.

## STAFFING/APEX CASE TEAM

### Apex's Case Team Approach

Apex uses a Case Team approach that aligns with Woonsocket's "Hierarchy of IT Needs". It's a proven method of ensuring all IT skill sets across all resources can be availed to Woonsocket when needed. The majority of the support for Woonsocket will be IT Executive level functions.

All elements of the Hierarchy are important. An effective balance will be established with Apex's Case Team for Woonsocket.



- **IT Executive:** Christopher Dale, Anthony Verrill, Tony Lovetere, Brian Hubert, Michael O'Connell
  - **Michael O'Connell** will serve as the project manager/day-to-day contact for the City.
- **On-Site Support:** Ryan O'Connor, Tom Mulholland, Ryan Lapham, Jeff Languirand, Michael Arndt
- **Centralized Support:**
  - **NMC/Help Desk:** Kevin Sipola, Ryan O'Connor, Michelle Duquette, Andrew Bergman, Corey McQuade, Tom Mulholland, Michael Arndt, Elizabeth Verrill
  - **Reporting:** Ryan O'Connor
  - **Account Management:** Michael O'Connell
  - **Sales, Quotes, Proposals and Procurement:** Mark Centracchio





### **Resources Available to the City of Woonsocket**

Apex will use the Case Team approach to provide a full range of IT services to the City of Woonsocket. Apex's team for the City of Woonsocket will be structured as follows:

- Technology leadership and strategic counseling
- Technology demonstrations and presentations
- DR/BR planning and documentation
- IT budgeting and resource allocation
- Apex's Help Desk in Cranston RI. Established and operated in the USA. Staffed by Apex employees; IT engineers with Microsoft, Cisco, Aruba, Dell, Apple, HP, Citrix, Smartphone, Barracuda and other skills and certifications. Apex Level 1, 2, 3 Engineers and Manufacturer Support.
- Apex's Network Management Center (NMC) in Cranston RI. Established and operated in the USA. Staffed by Apex employees; IT engineers with Microsoft, Cisco, Aruba, Dell, Apple, HP, Citrix, Smartphone, Barracuda and other skills and certifications. Apex Level 2 and 3 Engineers and Manufacturer Support.
- Field Engineers will be on-site. IT engineers with Microsoft, Cisco, Aruba, Dell, Apple, HP, Citrix, Smartphone and other skills and certifications. Apex Level 1, 2, 3 Engineering and Manufacturer Support.
- Project Management – Included with Apex Personal CIO™ Programs and always available to ensure projects are executed to successful result.
- Apex Cloud Services – Included with some Personal CIO™ Programs. E-Mail, Web, Phone, Apex CloudVault™ Data Backups, Anti-Spam/Trojan, Workflow and other Cloud services.
- Apex Hosting Centers – Lincoln RI, Hartford CT and Boxborough MA. The best facilities for SaaS Hosting and Apex Cloud Services.



## **Apex Personal CIO™ Program for Woonsocket**

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Apex recommends the following menu of IT services, bundled into a customized Personal CIO™ Program, to cost effectively meet Woonsocket's technology requirements:

### **IT Executive and Administrative Functions**

- Support with any existing or planned IT strategic planning and forecasting.
- IT Staff supervision, and project planning and management – Apex will help Woonsocket manage the existing internal IT staff and resources and help staff prioritize projects, support and help desk functions.
- Recommendations and development of Priority Projects – Apex will develop a detailed list of priority projects and other efforts needed to bridge the gap between the current IT environment and Woonsocket's business and requirements.
- Develop IT Budget and Forecast – Apex will work with Woonsocket to develop the IT capital and expense budgets. The current budgets would be used to develop the historical and projected. Any new or existing budgets will be tracked and optimized.
- Chair an IT Committee that brings together users from all departments to identify IT needs and improvement areas as part of the overall IT strategy.
- Vendor Review and Optimization/Expense Reduction Plan – Apex will conduct a formal review of any IT vendor agreements, terms and pricing. A Vendor Optimization Plan will be developed and reviewed with Woonsocket. Usually performed in the first six months of a Personal CIO™ partnership.
- Annual Updates to strategic documents and Technology Plans - Apex and Woonsocket will review and make changes to the ITSEP™ on an annual basis.
- Annual IT Budget Review and Development – Apex and Woonsocket will review past and current IT expenses and prepare an annual capital and expense budget aligned with Woonsocket's business and academic strategy and budgets.
- IT communications – The Apex team will communicate regularly on IT issues, goals and developments with upper-level management and also help Woonsocket develop regular communications with IT users to set realistic expectations and keep the community aware of IT services and support.
- Change Management and Problem Resolution – The Apex Case Team will be responsible for change management and problem resolution. All tasks will be delegated to the appropriate resource, dealt with and followed up on until final and mutually satisfying resolution is achieved.



- Business Impact Analysis, Auditable Business Continuity Plan and Auditable Disaster Recovery Plan – Apex will facilitate, guide and collaborate with the City's personnel to complete these tasks.

### IT Operational Functions

- Provide Apex Personal CIO/high-level resources that will serve as the single point of contact for all IT-related support and accountability
- Provide Unlimited Help Desk for the City of Woonsocket during business hours (M-F 8:00-5:30pm) and on-call hours (nights, 5:30pm-8:00am, weekends and holidays). Calls will be answered with the City of Woonsocket's Help Desk script. The Help Desk is staffed with trained, certified IT engineers. Tickets are established and work begins within 30 minutes during business hours. Apex's Help Desk will provide telephone support and troubleshooting. If telephone support does not repair the problem, Apex will provide remote control/repair activities. If problem resolution requires an engineering dispatch, Apex will dispatch a local on-site resource or an Apex resource if necessary with prior Woonsocket approval.
- Unlimited Apex Network Management Center (NMC) 24x7x365. The NMC is proactively monitoring and repairing for Woonsocket and should be aware of, and acting upon issues before Woonsocket has problems. Apex will install a hardware/software system called the Silver BullIT at Woonsocket to enable NMC and remote repair services.
  - Provide Unlimited Remote Repair services for servers, PCs and other equipment that can be accessed remotely by Apex.
  - Perform 24x7x365 network monitoring
    - Internet connections
    - Routers
    - WAN infrastructure
    - Switches
    - Firewalls
    - Servers
- Apex will work to stay in compliance with the attached "Service Level Agreements".
- Review Data backups, storage and recovery logs and processes.
- Maintain and develop network diagrams and network as-builts, using Visio, Ops Manager and other tools.
- Review physical IT infrastructure and identify any optimization opportunities.
- Provide Change Management discipline and review/approve IT changes.



- Provide IT Vendor Management and coordinate other IT vendor activities (ISP, carriers, applications, cabling, facilities, and construction).
- Provide monthly metrics and reports
  - Help Desk activity reports
  - Server uptime
  - Site connectivity
  - Projects and other tasks

### **Out of Scope**

The following items are outside the scope of this agreement:

- **Projects:** Priced and scoped separately. These are projects outside of ongoing support and maintenance and generally require additional engineers. Example are migration to a new email platform, new phone system, etc.
- **Equipment:** This agreement does not include any hardware, software or other equipment other than what is specified in "Addendum B – Network Hardware".
- **Managed services:** Co-lo space, hosted applications or other Managed Services will have a separate scope and term agreement.
- **Wiring:** any required low voltage cabling will be billed on a project or time and materials basis.
- **Moves, adds and changes (MACs).** A MAC that involves more than 5 PCs, or any server/network moves are defined as projects and will be priced and scoped separately.

**Confidentiality Agreement** – All assigned personnel will sign necessary confidentiality agreements.

**City of Woonsocket's IT Policies and Procedures** - All assigned personnel will abide by the City's IT policies and procedures when using City equipment.

**Compliance** – All services that will be delivered throughout the life of this contract will be in compliance with all applicable laws and regulations regarding IT systems and data management, Additionally, all Apex policies and procedures are in compliance will all occupational safety and health regulations. All assigned parties will comply with all security and confidentiality requirements of the City.

### **MISCELLANEOUS**

**Business and Market Focus/Long Term Direction:** At Apex we focus on working with and developing long-term relationships with customers (municipal, educational and enterprise) that see the value in the depth and breadth of services we bring to the table. Further we strive to design the most cost-effective and reliable IT support model possible while always keeping the customer's needs as a priority. Our short and long term goals are cost-savings, customer satisfaction and service level improvement.



**Ability to Add Strategic Value/Flexibility Regarding Future Adaptions:** Apex will provide direction and strategic value for the City of Woonsocket with our combined 100+ years of IT experience. In our work with municipalities over the past 15 years we have instituted hundreds of best practices and used our experience and knowledge to solve long-standing problems. Many of our customers have been with us for more than 10 years, during which time we have adapted and adjusted to their changing needs, priorities and budgets.

**Relationships/Experience with the City's Hardware/Software Providers:**

**Cisco, Aruba HPE and Microsoft**

Apex holds partner certifications from Cisco, Aruba and Microsoft and supports solutions from these companies at many of our clients.

**GIS**

Apex has helped support the City of Woonsocket's GIS since 2001. We have also worked with multiple vendors to help the City realize significant cost savings as well as positive public relations by moving the site to a hosted GIS solution.

**IMC**

Apex manages and supports IMC police and fire dispatching and record management systems for the Police and Fire Departments of the City of Woonsocket and for the Scituate Police Department, RI. Apex has multiple engineers that have completed administration training courses provided by IMC (TriTech Systems).

**WAN/MAN**

Apex supports Metro area networks for the Town of Cheshire, CT, the City of Woonsocket, RI, and others. The supported carrier services include T1, point-to-point & point-to-multipoint private wireless, DSL and cable modems. In Connecticut, Apex designed and supported a multi-building Campus LAN and 120 remote site WAN, one of the largest in the state.

**VoIP**

Apex is experienced with designing, deploying and supporting VoIP solutions from many companies (including Cisco, Mitel, Nortel, etc.). Apex is a Cisco Advanced Unified Communications Partner.

**Vision Government Solutions**

Apex has extensive experience supporting Opal applications (including Billing, Collections, Tax Administration, Inspections and Permitting) as well as Vision Appraisal's CAMA software.

**MUNIS**

Apex supports numerous clients that use the MUNIS application. Apex has also managed conversions from MUNIS to other financial applications.

**JCMS**

Apex supports other communities that use the JCMS application from Curia Systems for court.

**AMBUPRO**

Apex worked on the implementation and provides assistance in the ongoing support of this application for EMS records management for the Woonsocket Fire Department.



### Pricing Schedule

Monthly Rate	\$ 23,880.00
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### Additional Rate Schedule

Out of Scope Services	\$100.00*
Internet vaulting	\$1.25/compressed GB

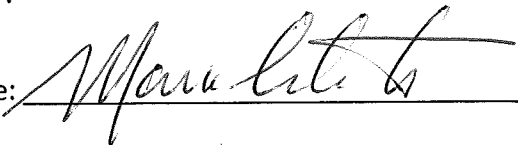
\*In accordance with RI State MPA #230 "Computer Technical Support Services"

- This is a three-year term agreement.
- The City shall have the right to renew the agreement for an additional two-year term at the end of the initial three-year term. The City must notify Apex in writing no less than sixty days before contract end date if it does not intend to execute the two-year extension.
- Service Levels are detailed in the attached Addendum A.
- Apex will invoice Woonsocket on a monthly basis. Terms are net 30 days and interest penalties apply to late payments.
- Outside of the initial network hardware outlined in the attached Addendum B, hardware and software costs are not included.
- The Apex Technology Group, Inc., its officers, agents, employees and contractors cannot be held liable, financially or otherwise, while providing IT services to the City of Woonsocket.

The undersigned are authorized to approve this agreement:


#### For The Apex Technology Group, Inc.

Name: Mark Centracchio Date: 9/14/16

Signature: 

#### For the City of Woonsocket

Name: Christine Chamberland Date: 9/13/16

Signature: 

## Addendum A

SERVICE LEVELS	Business Hours	Off Hours	
	Begin work to Repair/Resolve	Acknowledge	Begin work to Repair/Resolve
<b><u>Support Issues</u></b>			
WAN Circuit Down	4 Hours	4 hours	4 hours
LAN Circuit Down	4 Hours	4 hours	NBD
Internet Circuit Down	4 Hours	4 hours	6 Hours
Desktop PC Issue	4 hours	N/A	NBD
Backup Failing	4 Hours	4 hours	NBD
Backup Restore	4 Hours	4 hours	NBD
Backup other issue	4 Hours	4 hours	NBD
Email Server Unavailable or Down	4 Hours	4 hours	6 Hours
Financials Server/applications unavailable or down	4 Hours	4 hours	6 Hours
Phone system Unavailable or Down	4 Hours	4 hours	6 Hours
CAMA server unavailable or down	4 Hours	4 hours	NBD
Other Application Issue or Down	4 Hours	4 hours	NBD
Critical Event Log Errors	4 Hours	4 hours	NBD
Individual Phone issues	NBD	N/A	N/A
Virus issue	NBD	4 hours	NBD
New Hires - IT process	3 Bus Days	N/A	3 Bus Days
Separation / Termination	NBD	N/A	NBD
Mobile Device Connection issues (non-public safety)	NBD	N/A	3 Bus Days
Public Safety Mobile Device Connection issues	4 Hours	4 hours	NBD
Laptop/Desktop Connection issues	4 Hours	4 hours	NBD
Public Safety CAD Server Issue	4 Hours	4 hours	6 hours
Public Safety Dispatch PC - inability to dispatch via applications	4 Hours	4 hours	6 hours
Internet access issue	4 Hours	4 hours	NBD
Login problem	4 Hours	4 hours	NBD
Forgotten Domain Password or Reset	4 Hours	4 hours	NBD
Phone issues	Vendor SLA*	Vendor SLA*	Vendor SLA*
Software Issues	4 Hours	4 hours	NBD
Printing problems	4 Hours	4 hours	NBD
Email Access Problem	4 Hours	4 hours	NBD
Software Error	4 Hours	4 hours	NBD
Fax Machine	Vendor SLA*	N/A	Vendor SLA*

\*SLA: Service Level Agreement



## **Addendum B**

### **Network Hardware**

<b>Item</b>	<b>Quantity</b>
Aruba 2530-48G-PoE+ Switch	4
Aruba 2530-8G-PoE+ Switch	2
Barracuda F280 Firewall	1
Aruba S3500 PoE Switch	2
Aruba IAP-205 Access Point	4
Aruba IAP-103 Access Point	1
Aruba AP-215 Access Point	2
Aruba AP-205 Access Point	1
Cisco 3560-24-POE Switch	8
Cisco 3560-48-POE Switch	7
Cisco 3825 Router	1
Cisco 2800 Series Router	5



# **EXHIBIT 4-15(B)**

52281	Other Independent Service	2016	2017	2018
Bal Laboratory	Coliform and HPC testing	\$ 14,359	\$ 19,878	\$ 14,158
Apex Tech	Internet vaulting	\$ 5,400	\$ 5,400	\$ 5,400
Apex Tech	cio services	\$ -	\$ 6,000	\$ 37,500
ltron	Software maint	\$ 3,066	\$ 3,163	\$ 3,063
Brett Malloy	Beaver remediation	\$ 3,190	\$ 1,065	\$ 900
National Security Grp	Monitoring	\$ 4,320	\$ 4,320	\$ 4,320
National Security Grp	security upgrades			\$ 3,600
Dept of Health	Water Testing	\$ 1,633	\$ 1,857	\$ 6,258
Andolfo Appraisal	Appraisal services	\$ 4,250	\$ 1,845	\$ 4,750
Dig Safe	Dig safe services	\$ 3,892	\$ 3,469	\$ 3,992
Scituate Surveyors	Surveyor services	\$ 4,757	\$ -	
National Land Surveyors	Surveyor services	\$ 281	\$ 1,071	
Environmental Resource	Lab Testing	\$ 1,684	\$ 1,725	\$ 1,846
XC2 Software	Backflow program	\$ 850	\$ 700	\$ 700
nedt	chemical disposal		\$ 663	
Garden State Lab	testing			\$ 175
Jesse Riel	concret walkway repair			\$ 2,750
Dennis Diffley	emergency sewer lateral repair			\$ 250
Aurthur Bouchard	Water Shutoff inspection			\$ 1,165
		<u>\$ 47,681</u>	<u>\$ 51,157</u>	<u>\$ 90,828</u>

## **EXHIBIT 4-16**

*(Due to size, Exhibit 4-16 is being filed via CD-ROM.)*